PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

August 17, 2026

REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS

The Board of Directors (the "Board") of the Prairielands Groundwater Conservation District (the "District" or "Prairielands GCD") met in a regular board meeting, open to the public, within the boundaries of the District at 208 Kimberly Dr, Cleburne, TX, on August 17, 2026.

CALL TO ORDER AND DECLARE REGULAR MEETING OPEN TO THE PUBLIC

At President Beseda's request, Vice President Tischler assumed the role of Presiding Officer, and called the public hearing to order at 10:27 a.m., announcing the meeting open to the public.

ROLL CALL

The roll was called of the members of the Board of Directors, to wit:

Charles Beseda	John Curtis
Brad Daniels	Maurice Osborn
Barney McClure	Marty McPherson
Paul Tischler	Gary Farmer

All members of the Board were in attendance with the exception of Director Curtis and Director McPherson, thus constituting a quorum of the Board of Directors. Also, in attendance were Kathy Turner Jones, General Manager; Brian Sledge, General Counsel; District staff; and members of the public. Wade Oliver, EKI Environment & Water, attended via videoconference *Copies of the public sign-in sheets are attached hereto as Exhibit "A."*

PUBLIC COMMENT

None.

CONSENT AGENDA

A motion was made by Director McClure to approve the consent agenda. Director Daniels seconded the motion and it carried unanimously by all those who were present.

FINANCE REPORT – Brian Watts, Comptroller

a) Presentation of unaudited financials for the month of July 2026. – Mr. Watts presented the unaudited financial statements for the month ending July 31, 2026. He reported that the District's cash balances remain strong and ahead of the prior year and reviewed the District's revenues, expenditures, and overall financial condition.

REVIEW AND ACTION AS NECESSARY REGARDING TEXAS COUNTY DISTRICT RETIREMENT SYSTEM'S PLAN ASSESSMENT FOR PLAN YEAR 2026-2027 – Kathy Turner Jones, General Manager

Ms. Jones presented the TCDRS plan assessment, noting that the Personnel Committee met on August 6, 2026, to review the District's retirement plan and consider any changes for 2027. The Personnel Committee recommended maintaining the current employer contribution rate of 10.64% and the employee deposit rate of 5% for 2027.

Director Farmer made a motion to approve the 2027 TCDRS plan with an employer contribution rate of 10.64% and an employee deposit rate of 5%, as recommended by the Personnel Committee. Director Beseda seconded the motion. The motion passed unanimously by all those who were present.

HYDROGEOLOGIST REPORT – Wade Oliver, EKI

a) Update on activities and meetings related to Groundwater Management Area 8 joint planning and the development of desired future conditions – Mr. Oliver reported that the public comment period for GMA 8 closed July 31st and that another meeting of the GMA was anticipated to be scheduled soon to review any comments that may have been received.

b) Hensell aquifer monitoring well update – Mr. Oliver provided an update on the District's proposed Hensell Aquifer monitoring well, located east of Joshua. A site visit was scheduled for September 8, 2026, with drilling anticipated in the coming months. Most project costs are anticipated to be incurred in 2027.

1) Review and approve work order for EKI assistance with Hensell Monitoring Well supported by TWDB grant funds – Ms. Jones presented the proposed Work Authorization with EKI Environment & Water, Inc. for technical consulting and grant administration services associated with the District's Hensell Aquifer Monitoring Well project. She noted that the project is supported by a $300,000 TWDB grant, with the District providing matching funds and in-kind services. The Work Authorization establishes a total not-to-exceed project budget of $342,102.53, consisting of $300,000 in TWDB grant funds and $42,102.53 in District matching funds and in-kind services. Mr. Oliver added that the proposed work order provides for EKI assistance with project coordination and oversight to help ensure compliance with TWDB grant requirements.

Director Farmer moved to approve the work order as presented and authorize the General Manager to execute the Work Authorization on behalf of the District. Director McClure seconded the motion. The motion carried unanimously by all those who were present.

c) Other District involved activities – Mr. Oliver briefed the Board on the hydrogeologic report designed to meet the District's hydrogeologic study requirements and that a meeting was scheduled to review the initial draft with staff.

UPDATE ON GROUNDWATER AVAILABILITY CERTIFICATIONS – Dillon Bybee, Staff Geologist

Mr. Bybee briefed the Board on several Groundwater Availability Certifications (GAC) that were reviewed by the District, noting that the modeling results for Horizon Acres and Moonlight Landing stem from two separate GACs that were submitted as separate subdivisions after being subdivided from the same initial tract. The Modeling considered cumulative use and impacts from both subdivisions, in addition to another nearby subdivision also being developed by the same plat applicant.

UPDATE ON WELL REGISTRATION AND PERMITTING ACTIVITIES – Kaylin Garcia, Permitting Director

Ms. Garcia reported that staff continue reviewing 2025 water-loss audits and have begun the renewal process for permits expiring at the end of the year. She noted that 115 new well registrations have been received to date and that approximately 50% of production through August had been reported, as the reporting period had not yet closed. With no permit hearing held, the District's authorized groundwater volume remains at approximately 9.8 billion gallons.

UPDATE ON WELL MONITORING AND FIELD OPERATIONS – Michael Heath, Director of Field Operations

Mr. Heath reported on field activities since the last meeting which highlighted meter verifications, compliance follow-ups on non-permitted wells, the installation of monitoring equipment on a well located in Hill County and one serving a public water system in Johnson County, and coordination with two well owners regarding the plugging of a deteriorated well and capping an open hole well.

UPDATE ON PUBLIC OUTREACH ACTIVITIES, EDUCATIONAL, AND CONSERVATION EFFORTS – Macy Kendrick, Public Relations/Education Director

Ms. Kendrick reported ongoing outreach and education efforts, including scheduling Water Education Trailer visits for the upcoming school year, the development of a six-hour Lunch & Learn session for local real estate professionals in October, and finalizing articles for the third-quarter *e-line* newsletter. Ms. Kendrick concluded her report highlighting several upcoming community and educational events.

At 11:00 a.m. Vice President Tischler announced the Board of Directors will recess into a closed executive session under Section 551.074, Government Code, to deliberate on agenda item 13.(a)(1). No final action will be taken during the closed session. At the conclusion of the closed session, the Board will reconvene in an open public session and announce that the board meeting is again open to the public.

At 11:20 a.m. Vice President Tischler announced the meeting is reconvened into an open public session and was open to the public.

GENERAL MANAGER PERFORMANCE EVALUATION AND COMPENSATION PACKAGE, INCLUDING CONSIDERATION OF PROPOSED AMENDMENT(S) TO THE GENERAL MANAGER'S EMPLOYMENT AGREEMENT – DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION – Paul Tischler

Following discussion in executive session and consideration of the recommendations presented by the Personnel and Policy Committee, Director Farmer made a motion to approve the proposed amendments to the General Manager's Employment Agreement as presented. Director Beseda seconded the motion and the motion passed unanimously by all those who were present.

Director Farmer then moved to approve the General Manager's performance evaluation and changes to the compensation package as recommended by the Personnel and Policy Committee. Director McCure seconded the motion and it carried unanimously by all those who were present.

GENERAL MANAGER'S REPORT AND UPDATE – Kathy Turner Jones

Ms. Jones reported that the GMA 8 public comment period for the proposed Desired Future Conditions closed July 31, 2026, with no comments received by the District. She noted that GMA 8 was working to schedule its next meeting for late September or early October to review comments received and continue the joint planning process.

Ms. Jones also reported that she, along with Kaylin Garcia, had presented the District's annual report to the Somervell and Ellis County Commissioners Courts, with presentation to Hill County Commissioners Court remaining to be scheduled.

Ms. Jones concluded her report with an update on drought conditions across Texas and within the District. She also reminded the Board that the Texas Groundwater Summit was scheduled for September 1-3, 2026.

GENERAL COUNSEL'S REPORT — Brian L. Sledge

Mr. Sledge stated he had nothing further to report.

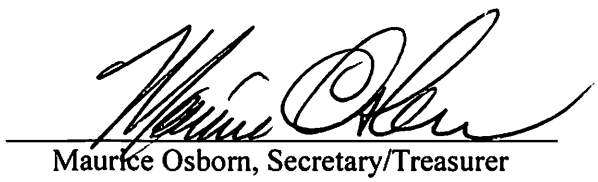
OPEN FORUM / DISCUSSION OF NEW BUSINESS FOR FUTURE MEETING AGENDAS

None.

ADJOURN REGULAR MEETING

There being no further business, Director McClure made a motion to adjourn the meeting, which was seconded by Director Daniels. The motion passed unanimously. The meeting was adjourned at 11:28 a.m.

PASSED, APPROVED, AND ADOPTED THIS 21st DAY OF SEPTEMBER 2026.



Maurice Osborn, Secretary/Treasurer